



Chapter 13

HUMAN SERVICES

HIGHLIGHTS

- Redesign the Families First (Tennessee’s TANF) program to be more employment driven. It is important the program meets its full potential to assist families in need and to move them toward self-sufficiency through policy changes, innovation in program delivery, and outcome-focused management.
- Transition the Weatherization Assistance Program from DHS to the Tennessee Housing Development Agency. This program is designed to help reduce energy costs by providing assistance to weatherize the homes of low-income Tennesseans.
- Convert all child support paper checks and direct deposit payments to debit card, which is projected to have an annual cost savings in postage and handling of \$200,000.

INTRODUCTION

The mission of the Department of Human Services (DHS) is to improve quality of life by providing an effective system of services for disadvantaged, disabled and vulnerable Tennesseans. In its current structure, the department is comprised of program divisions that deliver direct services to customers and administrative areas that provide supportive services to each of the program divisions. These administrative areas include: Finance and Administration (F&A), the Office of General Counsel (OGC), the Office of Inspector General (OIG), and Organizational Performance Management (OPM), and Communications. There are four major program areas that deliver direct services to customers: Adult and Family Service (AFS), Child Support (CS), Rehabilitation Services (RS), and Appeals and Hearings (AH).

Adult and Family Services (AFS) includes family assistance, Families First (TANF: Temporary Assistance to Needy Families), Child Care benefits, SNAP (Supplemental Nutrition Assistance Program-previously Food Stamps) benefits, and community services. The Families First program distributes cash grants and provides employment, training, education, and support services for families with financial need and dependent children deprived of parental support and/or care. The SNAP program helps ensure that eligible low-income families and individuals are able to obtain a nutritious diet. The Community Services program provides regulatory and protective services, social services, and economic assistance in the areas of child and adult care, Adult Protective Services (APS), and community contract services.

The Child Support Enforcement program is a federal, state, and local partnership to collect and distribute child support. Program goals include ensuring children have the financial support of both parents, fostering responsible behavior towards children, and reducing welfare costs.

The Division of Rehabilitation Services is comprised of two major program areas- Vocational Rehabilitation (VR) and Disability Determination Services (DDS). The VR program assists individuals with disabilities across the state prepare for, enter, and re-enter and maintain employment. DDS is a program that operates through agreement between the DHS and the Social Security Administration to process claims for Social Security and Supplemental Security Disability Income for Tennesseans with severe disabilities whose impairments prevent them from being gainfully employed.

The Appeals and Hearings Division provides a mechanism for appeals and hearings requested by applicants for and recipients of financial benefits or services provided by the department, including appeals related to TennCare program eligibility and the Supplemental Nutritional Assistance Program (SNAP).

APPROACH/METHODOLOGY

The department's Top to Bottom Review was named DHS 360°. It was an inclusive and multilevel process which received feedback from both internal and external partners. A DHS 360° team was established, consisting of staff from various levels throughout the department. This team met twice each month beginning in June 2011. The meetings were working sessions that were driven by intensive reviews of key areas of the department. The process also involved extensive reviews of data, financial reports, previous audit findings, other key documents as well as ongoing consultation with other cabinet members.

The commissioner and deputy commissioner talked with more than 10% (600) of the department's employees from across all divisions through the use of phone conferences, in-person focus groups, field visits across the state, shadowing front-line staff, and one-on-one meetings. This allowed for more direct feedback from staff at different levels.

Provider and external stakeholder feedback was secured in several ways including focus groups, in-person meetings, and participating in meetings held by providers within the community. In one instance, the commissioners and deputy commissioners of DHS and the Department of Labor and Workforce Development held a focus group with Shelby County providers shared by the two departments. Additionally, feedback was received from various customers of the department as well.

RECOMMENDATIONS

Recommendation 1: Transition Weatherization Assistance Program (WAP) to Tennessee Housing Development Agency (THDA).

Discussion: The program is designed to help reduce energy costs by providing assistance to weatherize the homes of low-income Tennesseans. The aim is to permanently reduce the household's energy bills by making their homes more energy efficient. Weatherization comprises a comprehensive series of

energy efficient measures that are based on sophisticated analysis of individual homes. The department is actively taking steps to transition WAP to THDA to ensure the best location for the program.

Recommendation 2: Evaluate possible transfer of Low-Income Energy Assistance Program (LIHEAP) from DHS to Tennessee Housing Development Agency (THDA).

Discussion: The Low-Income Energy Assistance Program (LIHEAP) is a federally funded grant program created by the Omnibus Reconciliation Act of 1981. This program is currently being evaluated for possible transition to THDA as well. The program aims to assist low income households, primarily those who pay a high proportion of household income on home energy, in meeting their immediate energy needs.

Recommendation 3: Evaluate benefit of child care licensing and assessment being owned by one agency: Department of Human Services (DHS), Department of Education (DOE), or Department of Children's Services (DCS).

Discussion: DHS is heavily involved in child care through the Child Care Certificate Program, Child Care licensing and quality assessment. The DOE also plays a key role in licensing child care providers. DCS has a very extensive role in licensing child welfare entities. There is a need for a new child care model that lends itself to continuity of practice, or at least a shared vision regarding overall performance outcomes.

Recommendation 4: Redesign the Families First (Tennessee's Temporary Assistance for Needy Families, or TANF) program to be more employment driven.

Discussion: Families First has dramatically changed the way public assistance is provided in Tennessee. Work requirements for able bodied recipients and time limits on eligibility are now accepted facets of public assistance, signifying that assistance is temporary and work is the best way for

a family to move out of poverty. While there are many individual success stories within the Families First program, there is also a level of unfulfilled promise regarding the outcome of many recipients. Those who leave the program with a job are often only marginally better off than when they received assistance; others rely on the program sporadically and do not improve their employability and/or economic situation at all. It is important that a program meet its full potential to assist families in need move toward self-sufficiency.

The department is exploring several strategies including: work related requirements prior to the approval of assistance; innovative strategies such as subsidized employment programs, meaningful community service placements and training-business linkages; defining employment outcome goals to be measured and monitored; and revisiting supportive services currently provided through Family Service Counseling. DHS is confident that the combination of policy changes, innovation in program delivery, and outcome-focused management will allow the program and its customers to reach full potential.

Recommendation 5: Develop a system to measure employment of Families First participants that leave the program.

Discussion: Since the advent of welfare reform in 1997, the primary measure of TANF (Families First in TN) performance for Tennessee and other states has been the Work Participation Rate, or WPR. The emphasis on the process-laden WPR has hindered staff and contractors from focusing on the real goal of the program – maximizing the number of participants who leave the program employed in jobs that can lead to self-sufficiency. The central challenges is to create a measurement that is accurate, produced regularly and generated quickly so as to be a tool for program monitoring and evaluation. This will require multiple data sources, because no one system has current information on all individuals' employment.



Recommendation 6: Drive the Vocational Rehabilitation (VR) program towards employment outcomes.

Discussion: To increase the percent of individuals achieving employment outcomes within the VR program, the department will enhance relationships with employers willing to provide placement opportunities to VR clients, expand existing career counseling resources, provide training to staff that emphasizes enhanced career counseling skills, coordinate regional job placement teams statewide through a Director of Employment Services, and designate a VR counselor from each work unit to do job placements within each region to increase successful employment outcomes.

Recommendation 7: Develop a system to monitor and respond to workload issues in Family Assistance on a continuous basis to ensure optimal performance.

Discussion: The Family Assistance (FA) program experiences an ongoing demand for the services provided. The department is in the process of developing a system to address factors affecting workload issues which include: ensuring staff are assigned in the field in a manner that is current with the specific needs of the identified area; assessing specific business processes that directly impact workload to seize opportunities for greater efficiencies; evaluating how specific Family Assistance programs such as Families First are administered; explore opportunities for technology solutions across the FA programs.

Recommendation 8: Apply LEAN to key processes in Appeals, Family Assistance, Disability Determination Services, and Adult Protective Services.

Discussion: All of the listed programs are process driven. There are multiple processes within each, and having LEAN events in these programs will allow the department to identify efficiencies. This

has the potential to have a positive impact on the workload by streamlining the workflow.

Recommendation 9: Define performance standards for each job classification.

Discussion: Currently, performance standards exist in only one section of the agency. The department will define performance standards for all employees by end of calendar year 2012. This will allow each staff person to know how they contribute to the overall goals of the department. It will ensure clear accountability for all staff relative to these goals as well as give the department clear visibility to its overall performance. Improvements realized will be the increased retention of high performing staff. It will also allow for concise documentation of performance issues, therefore, allowing the department to effectively address the issue of under performers.

Recommendation 10: Ensure new supervisors attend New Supervisory Academy (NSA).

Discussion: Until recently, the department did not offer any training for supervisors beyond the mandatory HR supervisory courses. The department has now developed a comprehensive supervisory training program that is mandatory for all supervisors to attend. This ensures that they are adequately trained in skills for supervision and gets them started off on solid footing for supervision. More skilled supervisors would result in better managed staff, which would improve customer service levels and workload.

Recommendation 11: Develop a performance quality improvement process.

Discussion: The department will utilize a comprehensive Performance and Quality Improvement (PQI) process to improve delivery of services. PQI creates a system of accountability which follows the strategic directives through to operational performance. This PQI structure serves to align improvement with strategic directives and to focus on internal integrity. It relies on an

organizational culture that is proactive, supports continuous learning and accountability. PQI is reflective of the DHS value of being a learning organization. In addition, it supports practices, programs, and policies by ensuring regular assessments of where and how improvements need to be made.

Recommendation 12: Increase the number of child support cases under order.

Discussion: The Child Support Program is working diligently to increase the number of ordered cases so that children are able to receive the support due to them. A focus on increasing orders for support also helps families either achieve or sustain self-sufficiency and may also assist or keep them from having to rely on financial support from other DHS Programs. The Child Support Program reported 68.88% of child support cases under order at the end of Federal Fiscal Year 2010. This metric has increased by 2.42% with a reported metric of 71.30% at the end of December 2011. This is a major focus of the child support program so that more children and families have the opportunity to obtain child support payments. DHS will continue to focus on increasing the cases under order.

Recommendation 13: Increase the percentage of current child support paid.

Discussion: Children and families should receive the total amount of support ordered each month. Unfortunately, at the end of FY2010, there were only 51.87% of families that received their current support each month. The ability for a non-custodial parent to pay his/her ongoing child support has definitely been affected by the economy. However, at the end of December 2011, DHS experienced an increase of 3.15% or 55.02%. The goal is to continually work toward increasing this ratio so that more and more children and families can begin to rely on monthly payments.

Recommendation 14: Eliminate Supplemental Nutrition Assistance Program (SNAP) resource limit.

Discussion: Under existing USDA rules, states have the option to eliminate the SNAP resource limit for households that receive services or benefits funded with TANF dollars. DHS is currently moving toward removing the resource limit. There are several advantages to eliminating the SNAP resource limit, including: potential to simplify the program for both workers and applicants/recipients; improved application timeliness; encourages families receiving SNAP to accumulate savings; and prevents newly-unemployed individuals from exhausting their savings prior to becoming eligible. DHS is in the process of making appropriate/necessary changes and will proceed with next steps in the rulemaking process.

Recommendation 15: Convert all Child Support paper checks and direct deposit payments to debit card.

Discussion: There are approximately 90,000 custodial parents who receive their child support via paper check or direct deposit. Both these avenues for payment are considerably more costly than using a debit card. The child support program will realize a substantial savings if it converts its process from using all paper checks and direct deposit to using debit cards. The anticipated cost savings to be realized from this conversion includes annual savings in postage and handling of approximately \$200,000.

The action steps to achieve this outcome are as follows. First, all new child support custodial parents are given an option to receive their child support via debit card. Next, notices will be sent to those custodial parents that currently receive paper checks that they will be converted to debit cards. Lastly, long-term direct deposit custodial parents will transition to debit cards when they change banks.

Recommendation 16: Explore creating a website where Custodial Parent Monthly Notices are posted instead of mailed.

Discussion: DHS currently mails 1,354,300 notices on an annual basis. The department will realize substantial savings in postage, printing paper and central print costs. The anticipated cost savings to be realized total \$582,378 in annual savings from postage and handling.

Recommendation 17: Identify and ensure that all child support cases with a support order that meet the minimum criteria for IRS certification are indeed certified.

Discussion: The rationale is to ensure that all IRS tax offsets are identified and properly applied. The average collection for cases that receive a collection is \$1,200. This will increase collections and provide additional child support monies for children and families. The department will data mine the Tennessee Child Support Enforcement System (TCSES) to determine the number of ordered cases bypassed for certification, provide reports to field staff and select State Fiscal Team staff to ensure case is 'fixed', run reports periodically to determine the number of cases that have been certified for IRS tax offset, and report progress to Director of Field Operations and Assistant Commissioner. Collections are anticipated to increase significantly.

Recommendation 18: Utilize Interstate Data Exchange Consortium (IDEC) to match data and manage the lien process on behalf of Child Support Program.

Discussion: Utilizing IDEC will increase collections and provide additional child support monies for children and families. The efficiency and effectiveness of the child support lien process would be greatly enhanced. Child Support Services currently does not match or send liens out on all Financial Institution Data Match (FIDM) matches, which equates to lost collections due to inaction. The department will schedule a conference call with the IDEC Consortium lead state, South Carolina, and vendor. They will discuss costs for a vendor to

manage lien process, establish protocols specific to the State of Tennessee Child Support Program, amend the existing contract to include these tasks, implement the new process and establish evaluation protocols.

Recommendation 19: Implement the State Services Portal.

Discussion: The portal is provided by the Federal Office of Child Support Enforcement (OCSE). This application will provide additional data sources (tax offset information from other states, Passport Denial Enforcement, Department of Defense entitlement information and Debt Inquiry) to our staff in the field which will help increase collections.

Greater efficiency and increased child support collections are anticipated. Child Support staff can be much more efficient and provide greater service to our customers. To achieve this, the following steps have taken place: worked with the Federal Office of Child Support Enforcement to determine necessary hardware; determined the use of existing hardware is possible; worked with Fiscal to order any required hardware and with OCSE to obtain training; Centralized Services administered the Portal and need to set up levels of authorization; scheduled statewide webinar to train field staff; and rollout the Portal across the state.

This recommendation has been completed.

Recommendation 20: Review the new Vocational Rehabilitation service policies governing the provision of college training services.

Discussion: The department will review the new VR service policies governing the provision of college training services. These services include financial needs testing, payment of tuition and fees, and the establishment of a minimum number of required credit hours. This review is to ensure that current policies promote college training for youth with disabilities that are driven by employment outcomes.

Recommendation 21: Review requirements related to third-party cooperative agreements with Tennessee Division of Rehabilitation Services (TDRS) to ensure all program and fiscal requirements are met.

Discussion: A finding from the recent Rehabilitation Services Administration (RSA) Monitoring Report indicated TDRS fiscal and program staff did not have a clear understanding of federal and state guidelines related to third-party cooperative agreements. Specified staff will have the primary responsibility of reviewing all third-party cooperative agreements for compliance with federal and state regulations. This staff will monitor the contracts on a regular basis and will oversee the development of performance management plans that will provide clear and definitive responsibilities to employees responsible for contract development, fiscal reporting and documentation. Each agreement will be reviewed with the third party provider to ensure TDRS scope of services and expectations are being met on a quarterly basis.

Recommendation 22: Redesign Information Technology (IT) organizational structure for proactive and collaborative teams.

Discussion: This proposed DHS IT organizational structure will allow systems to be analyzed, developed, and implemented in the most efficient and cost-effective manner. DHS IT will be accountable for their assigned tasks, and any risk of delays or cost-overruns will be identified and addressed in advance of critical deadlines.

Recommendation 23: Seek consultant to conduct evaluation of VIP project.

Discussion: Efforts are currently underway to replace the department's legacy system, ACCENT, with the Vision Integration Platform (VIP) system. The department is seeking to procure consulting services to conduct an independent reevaluation that would determine the current status of the VIP Project and evaluate the return on investment related to efficiencies realized with frontline staff workload and impact on customer service to ensure successful completion by the spring of 2013.

Recommendation 24: Create specialized Match Unit for Investigation Claims.

Discussion: Creating specialized Match Unit for Investigation Claims would generate more quality claims which will result in higher collections. A significant savings in the prevention of benefits not being issued as well as more claims will be generated. These savings will be realized due to benefits no longer being issued to ineligible participants.

Recommendation 25: Center child care licensing worker caseloads around the work (Licensed Centers) rather than District Offices.

Discussion: Current worker caseloads have been assigned on the basis of state office locations rather than where the Licensed Day Care Centers are located. By adjusting the workloads so the workers are more centrally located to the work, DHS can generate savings of no less than 10% of current travel. A pilot project is under development to estimate the specific savings.

Recommendation 26: Make Title VI compliance surveys web-based.

Discussion: Title VI compliance surveys are conducted by Office of General Counsel annually for federal funding recipients of the department. These surveys can be web-based for those with internet access with forms (like IRS tax returns) that can be in a fill-in-the-blank format. Automated receipts would be generated to show who responded and who did not. In the spring of 2011, the department sent out over 2000 surveys to sub-recipients (number increases annually). This would save approximately \$475 in postage; the cost of paper comprised of three pages for the survey; and legal assistant and attorney (compliance officer) time in handling the surveys estimated at 2-3 months= \$6000+.

Recommendation 27: Develop a comprehensive overtime policy.

Discussion: When necessary, the department uses overtime as a tool to assist with managing the workloads. The Top to Bottom Review revealed an inordinate reliance on overtime as a solution to this challenge. This is especially challenging in the Family Assistance area. The department is in the process of developing a comprehensive overtime policy that will establish guidelines for administering overtime across all divisions.

Recommendation 28: Create IT Information sharing through a Share Point process.

Discussion: There is a need to decentralize information technology operations to allow for ease of sharing information across the entire department rather than operating as separate sub-units. This can be achieved via the implementation of a Microsoft SharePoint department-wide.

Recommendation 29: TANF recipients who transition off the program due to successfully gaining employment will be eligible for transitional child care for a period determined by the department.

Discussion: Currently, legislation requires the department to provide 18 months of transitional childcare for individuals who secure employment and leave the Families First program. The department is pursuing increased flexibility. The proposed legislation streamlines department processes and prevents it from providing service that its clients may not need as part of the effort to assist them in sustaining self-sufficiency.